

Hopi Arsenic Mitigation Project (“HAMP”)

Memorandum of Agreement

This Memorandum of Agreement (“MOA”) is entered into by the Hopi Tribe acting through the Hopi Tribal Council, Hopi Utility Corporation and the village organizations of First Mesa Consolidated Villages, Mishongovi, Sipaulovi and Shongopavi (referred to as Hopi Villages) to implement the Hopi Arsenic Mitigation Project (“HAMP”). This MOA establishes a basis for the water systems of Hopi Villages to implement a unified approach to meeting federal drinking water standards through implementation of the HAMP.

Whereas, each of the water systems of the Hopi Villages has received a Notice of Violation (“NOV”) from US EPA Region 9 requiring it to comply with Safe Drinking Water Act Maximum Contaminant Levels (“MCL”) for Arsenic.

Whereas, the Hopi Constitution recognizes and cites the Hopi Tribe is a union of self-governing villages sharing common interests and working for the common welfare of all.

Whereas, the Hopi Constitution authorizes the Hopi Tribal Council to represent the villages in matters with the Federal Government.

Whereas, the Hopi Utility Corporation is chartered by the Tribal Council to provide water utility services on the Hopi Reservation.

Whereas, the parties to this MOA seek to address the NOV's through implementation of the HAMP.

Now therefore, the parties agree to perform the following activities:

Each of the Hopi Villages agree to enter into a wholesale water purchase agreement with the Hopi Utility Corporation to purchase water at a reasonable, uniformly applied fee structure per gallon at the time of rural water system commissioning throughout the estimated 40 Year life of the project.

The Hopi Tribe agrees to provide electric power infrastructure and transmission to the wells and pumps required to produce, lift, convey, store, distribute and disinfect water from the Turquoise Trail Well Field to the water systems of the Hopi Villages.

The Hopi Utility Corporation agrees to perform engineering investigations, planning, design, procurement, construction management, commissioning and water system operation activities necessary to provide Arsenic MCL compliant drinking water to the Hopi Villages as outlined in the HAMP Preliminary Evaluation Report (IHS 2014) and approved subsequent versions. The HAMP PER estimated a wholesale water cost of \$60 per household.

All parties to this agreement understand the outlined responsibilities are integral to USEPA SDWA compliance and may be liable for potential penalties resulting from nonperformance. Notwithstanding this, the parties agree and understand that project performance relies on external constraints, including but not limited to local permits, compliance agreements, unforeseen conditions, federal funding and acts of nature that are beyond their control.

As agreed to:

Date

The Hopi Tribe:

The Hopi Utility Corporation:

Sipaulovi Village.

Board Chairman

8.7.17